

Form 10
[Rule 3.25]

COURT FILE NUMBER

Clerk's Stamp

COURT COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CHERI NICHOL

DEFENDANTS BRYAN TAYLOR, BRYAN
TAYLOR carrying on business as
CONCERTS NORTH, CONCERTS
NORTH, BRYAN TAYLOR
carrying on business as KEYSTONE
MUSIC, KEYSTONE MUSIC,
BRYAN TAYLOR carrying on
business as KEYSTONE
ENTERTAINMENT, KEYSTONE
ENTERTAINMENT, 1492879
ALBERTA LTD., 1564559
ALBERTA LTD., CONCERTS
NORTH LTD., and KEYSTONE
ENTERTAINMENT GROUP LTD.

DOCUMENT	STATEMENT OF CLAIM
ADDRESS FOR SERVICE	Lacourciere Associates
AND	Attention: Guy Lacourciere
CONTACT	390, 800 - 6th Ave SW
INFORMATION OF	Calgary, AB T2P 3G3
PARTY FILING THIS	Ph: 403-269-7424
DOCUMENT	Fax: 403-263-3145
	File No. 10774

NOTICE TO DEFENDANTS

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

Statement of facts relied on:

1. The Plaintiff, Cheri Nichol, (hereinafter referred to as "Cheri"), resides in the City of Calgary, in the Province of Alberta.
2. The Defendant, Bryan Taylor, (hereinafter referred to as "Taylor"), resides in the City of Calgary, in the Province of Alberta, and carries on business as Concerts North, Keystone Music, and Keystone Entertainment.
3. The Defendant, 1492879 Alberta Ltd., (hereinafter referred to as "1492879") is a body corporate duly incorporated pursuant to the laws of the Province of Alberta, and carries on business in the Province of Alberta.
4. At all material times, Taylor, has been the sole registered director of 1492879, at all material times 1492879 has been controlled by Taylor, and has operated as his alter ego. As such, Taylor is liable for all conduct of 1492879. Further, 1492879 is liable for all conduct of Taylor.
5. The Defendant, 1564559 Alberta Ltd., (hereinafter referred to as "1564559") is a body corporate duly incorporated pursuant to the laws of the Province of Alberta, and carries on business in the Province of Alberta.
6. At all material times, Taylor, has been the sole registered director of 1564559, at all material times 1564559 has been controlled by Taylor, and has operated as his alter ego. As such, Taylor is liable for all conduct of 1564559. Further, 1564559, is liable for all conduct of Taylor.
7. The Defendant, Concerts North, (hereinafter referred to as "North") is a body corporate duly incorporated pursuant to the laws of the Province of Alberta, and carries on business in the Province of Alberta.
8. At all material times, Taylor, has been the sole registered director of North, at all material times North has been controlled by Taylor, and has operated as his alter ego. As such, Taylor is liable for all conduct of North. Further, North is liable for all conduct of Taylor.
9. The Defendant, Keystone Entertainment Group Ltd., (hereinafter referred to as "Keystone") is a body corporate duly incorporated pursuant to the laws of the Province of Alberta, and carries on business in the Province of Alberta.
10. At all material times, Taylor, has been the sole registered director of Keystone, at all material times Keystone has been controlled by Taylor, and has operated as his alter ego. As such, Taylor is liable for all conduct of Keystone. Further, Keystone is liable for all conduct of Taylor
11. Taylor, along with the Corporate Defendants, embarked on a scheme whereby he would bring in investors on the promise that by investing with him, the investors will be able to receive handsome profits from the concerts he puts on with their money, and his skills. He represented that the concerts he had put on in the past were very successful, and

produced handsome profits for the investors. He represented that he has a great reputation in the Canadian entertainment industry, that he has years of solid experience putting on concerts, that he has the management skills to put on the concerts and to complete all ancillary matters regarding the financial affairs of the concerts, and that he maintains his, and the Corporate Defendants' great reputation by making certain that all trade accounts are paid in full, and by booking high quality entertainers.

12. In June 2011, Taylor, with the knowledge and consent of the Corporate Defendants, and with the knowledge that they were false represented to Cheri that all trade accounts were paid in full.
13. Taylor, with the knowledge and consent of the Corporate Defendants, and with the knowledge that they were false represented that his business, Concerts North, had a net worth of \$1,000,000.00.
14. At all material times, Cheri relied on the representations made by Taylor and the Corporate Defendants, and invested \$250,000 with Taylot on June 28, 2011, and \$100,000 on September 9, 2011. In addition, Cheri invested a further \$366,641.08 with the Defendants.
15. Taylor made the representations when he and the Corporate Defendants knew that they were false, and that the money Cheri would be investing would not be used for the purposes represented, but for, inter alia, Taylor's personal use, and to pay some investors from previously failed concerts.
16. From June 17, 2011, to January 2, 2011, Cheri invested \$716,641.08 with the Defendants, which funds were to be used to produce the followings shows:
 - a. Sadies;
 - b. Sheepdogs;
 - c. Big Sugar;
 - d. Wide Mouth Mason;
 - e. Doobie Brothers;
 - f. Laura Johnston;
 - g. Lyle Lovett;
 - h. Chris Isaac;
 - i. CMT on Tour;
 - j. Edgar Winter;
 - k. Beach Boys;
 - l. Johnny Winter;
 - m. James Cotton;
 - n. Los Lobos;
 - o. Liem Russell;
 - p. Big Sugar/ Wide Mouth Mason;
 - q. Downchild Blues Band/ Hoodoo Sons.

17. Taylor and the Corporate Defendants misrepresented the revenue that was generated from the concerts, and that the concerts all had suffered losses.
18. Cheri repeatedly requested that the Defendants produce all the financial records for the following shows: Sadies, Sheepdogs, Big Sugar, Wide Mouth Mason, Doobie Brothers, Laura Johnston, Lyle Lovett, Chris Isaac, CMT on Tour, Edgar Winter, Beach Boys, Johnny Winter, James Cotton, Los Lobos, Liem Russell; Big Sugar/ Wide Mouth Mason, Downchild Blues Band/ Hoodoo Sons and the Defendants repeatedly promised all the requested financial records, but never provided them.
19. The Defendants have advised numerous parties involved promotion and entertainment, that they have financially contributed to the concerts, and that the reason the trade accounts have not been paid has been because Cheri has taken the money from the concerts.

Remedy Sought:

1. Wherefore the Plaintiff claims from the Defendants, jointly and severally, as follows:
 - a. Judgment and damages arising from the fraudulent scheme as set out above, and as may be proven at the trial of this action;
 - b. A Declaration that the Defendants hold any of the funds obtained from each of the fraudulent schemes, or any real or personal property or other assets purchased for the funds obtained from the fraudulent scheme as constructive trustee's for the benefit of the Plaintiff;
 - c. A Declaration that the Defendants are liable to the Plaintiff for acquiring funds from the Plaintiff by false pretenses and fraudulent misrepresentations;
 - d. An order permitting the Plaintiff trace of proceeds of the fraudulent scheme, which the Defendants fraudulently obtained from the Plaintiff and from the sale of any goods fraudulently obtained with the proceeds of the fraudulent scheme, into and through any financial institution accounts or deposit facilities in the name of the Defendants, either solely or jointly with any other person and into or through any assets purchased by the Defendants with the proceeds of the fraudulent scheme;
 - e. An accounting and disclosure of all money received from the fraudulent scheme from time to time or the proceeds thereof, by the Defendants;
 - f. General damages in the amount of \$716,641.08;
 - g. Punitive damages in an amount to be set by this Honorable Court;

- h. Interest in accordance with the *Judgment Interest Act* R.S.A. 2000 c.j-1 as amended;
- i. Costs on a solicitor and own client basis;
- j. Such further and other relief as the Honorable Court may deem just.

NOTICE TO THE DEFENDANTS

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.